

## PLANNING COMMISSION STAFF REPORT

**REPORT DATE:** August 4, 2005

**AGENDA DATE:** August 11, 2005

**PROJECT ADDRESS:** 222 and 224 W. Yanonali Street (MST2005-00192; CDP2005-00007)

**TO:** Planning Commission

FROM: Planning Division, (805) 564-5470

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## I. PROJECT DESCRIPTION

The project consists of the construction of seven residential condominiums on a 12,500 square foot site, replacing thirteen existing residential units. The new units would be located in two buildings. One of the existing units is proposed to remain and would be an affordable (upper-middle-income) unit. Eleven covered parking stalls are proposed, nine for the residential units and two for guest parking. A voluntary lot merger is proposed.

Current development on the site includes thirteen rental units, five covered and two uncovered parking stalls on two adjacent parcels. Portions of the existing buildings are proposed to be remodeled and reused as part of this proposal. Refer to Exhibit A (Applicant's Letter) and Development Plans for additional details on the proposal.

Proposed unit sizes are as follows:

Unit No.	Size (sq. ft.)	Bedrooms	Parking Stalls	Affordability
1	749	1	1	Market Rate
2	749	1	1	Market Rate
3	1,029	1	1	Market Rate
4	749	1	1	Market Rate
5	1,391	3	2	Market Rate
6	506	1	1	Middle-Income
7	1,377	2	2	Market Rate

As currently proposed, the discretionary applications required for this project would be: a lot area Modification to provide less than the required lot area for the proposed affordable unit and to allow for a newly created lot to provide less than the required 14,000 square feet of lot area in the R-4 Zone (SBMC, §28.21.080); a Modification of the interior yard setback (SBMC §28.21.060); a Modification of the required parking (SBMC §28.90.100); a Tentative Subdivision Map (TSM) for a one-lot subdivision to create seven residential condominium units (SBMC Chapters 27.07 and 27.13); and a Coastal Development Permit to allow the proposed development in the Non-Appealable Jurisdiction of the City's Coastal Zone (SBMC §28.45.009).



Vicinity Map – 222 & 224 W. Yanonali Street

# II. SITE INFORMATION AND PROJECT STATISTICS

## **SITE INFORMATION**

Applicant: Steve Berkus	Property Owner: Del Mar Development Santa Barbara	
Parcel Number: 033-033-019, 020	Lot Area: 12,500 sq. ft.	
General Plan: Hotel and Residential	Zoning: R-4 / S-D-3 Hotel-Motel-Multiple Residence and Coastal Overlay Zones	
Existing Use: Residential	Topography: Flat	
Adjacent Land Uses:  North - Residential  South - Residential	East - Residential West - Residential	

## III. ZONING ORDINANCE CONSISTENCY

Standard	Requirement/ Allowance	Existing	Proposed
Setbacks			
-Front	10'	10'-3"	10'-3"
-Interior	6'	5'	5'
-Rear	6' first floor	2' first floor	6' first floor
	10' second floor	51' second floor	10' second floor
<b>Building Height</b>	45' and 3 stories	20'-7" and 2 stories	30'-4" and 2 stories
Daulzing	12 residential	7 residential	9 residential
Parking	2 guest	0 guest	2 guest
Minimum Lot Size	14,000 sq. ft.	6,250 sq. ft. each	12,500 sq. ft.
Frontage	60 feet	50 feet each	100 feet
Requirement	00 1501	201000000	100 100
Lot Area Required for	Studio = $1,600$ sq. ft.	(6) $1,600 = 9,600 \text{ sq. ft.}$	(5) 1,840 = 9,200  sq. ft.
Each Unit (Variable	1-Bdrm = 1,840  sq. ft.	(5) 1,840 = 9,200  sq. ft.	(1) 2,320 = 2,320  sq. ft.
-	2-Bdrm = 2,320  sq. ft.	(2) 2,320 = 4,640  sq. ft.	(1) 2,800 = 2,800  sq. ft.
Density)	3-Bdrm = 2,800  sq. ft.	Total Rqd=23,440 sq. ft.	Total Rqd=14,320 sq. ft.
10% Open Space	1,250 sq. ft.	Less than 1,250 sq. ft.	1,250 sq. ft.
	1-Bd Units –		
Defends October	Ground Floor = 120 sq. ft.		Multiple sizes, all meet
Private Outdoor	Second floor = $72 \text{ sq. ft.}$	None	or exceed minimum
Living Space	2-Bd Units – 84 sq. ft.		requirements
	3-Bd Units – 160 sq. ft.		
Lot Coverage			
-Building	N/A	5,250 sq. ft. 42%	5,976 sq. ft. 48%
-Paving/Driveway	N/A	5,500 sq. ft. 44%	2,843 sq. ft. 23%
-Landscaping	N/A	1,750 sq. ft. 14%	3,681 sq. ft. 29%

The proposed project would meet the requirements of the R-4 Zone, with the exception of the requested modifications for lot area, interior yard setback and parking, discussed below.

## IV. PRELIMINARY REVIEW

The project was submitted to the City's Pre-Application Review Team (PRT) process on March 29, 2005. The primary issue areas identified in the PRT letter were: the loss of housing in the coastal zone, the interior yard setback modification request, the parking modification request and the private outdoor living space modification request.

On June 17, 2005, the project was submitted to the Development Application Review Team (DART). The project had been modified to eliminate the previously required private outdoor living space modification and the mix of unit sizes and bedrooms had been modified to reduce the parking requirement, although a modification was still required. The primary issues remained the loss of housing units, the interior yard setback modification request and the parking modification request.

This project has not yet been reviewed by the Architectural Board of Review (ABR). Design review will be required prior to further staff review.

The applicant submitted for staff review, a Draft Historic Structures Report for the project (Exhibit E). Staff has reviewed the report and agrees with the conclusion that the project will not result in significant environmental impacts with respect to historic architecture or resources in the area. The main issue is neighborhood compatibility and that will be in the realm of the Planning Commission and ABR. The Historic Structures Report will be scheduled for acceptance by the Historic Landmarks Commission in the next few weeks.

Environmental review has not been done for the project, pending feedback from the Planning Commission and possible project revisions.

## V. ISSUES

### A. LOSS OF HOUSING UNITS IN THE COASTAL ZONE

Projects that involve a net reduction in units and particularly the loss of rental housing have previously raised concerns by local decision-makers. The units existing on the property were built/converted with permits; however, many of them are considered substandard in terms of size (less than 400 square feet) under current Codes. The existing development of the site has a density of approximately 45 units per acre. The project would result in a net loss of 6 housing units (if the lot area modification can be supported). The proposed project would have a density of 24 units per acre. The existing units are rented at market rates that exceed affordable housing standards.

The City's Housing Element contains goals and policies to address conservation of housing (see Exhibit C). The most relevant policy on this issue is Policy 2.2 that makes reference to State Laws and recommends a number of strategies that the City should pursue. The City has initiated or completed most of the feasible recommended strategies.

The California Government Code (Section 65590) does provide regulations for the replacement of affordable housing in the Coastal Zone. That Code does not apply in this case because the unit rents are not affordable to low or moderate income households as defined by State Law. The City has very limited experience with this Code and it applies in very specific circumstances. The Code allows a local jurisdiction to adopt in-lieu fees and other programs to implement the regulations; the City has not adopted such a program.

Another State Law that is relevant to the issue of demolition of rental housing is the Ellis Act. Although there may be concern about the loss of rental housing, this law limits an agency's ability to prevent the demolition or require that someone stay in the rental housing market.

At this stage in the review process for this project, Staff has examined this issue of the loss of rental housing and determined that, although raising a concern, we believe the project could be found consistent with the relevant Housing Element goals and policies.

### B. INTERIOR YARD SETBACK MODIFICATION

A Modification of the required interior yard setback (SBMC §28.21.060, 2) is proposed. The minimum setback required is 6 feet, and the applicant proposes to maintain the existing 5-foot setback along the northwest property line because he is utilizing portions of the existing building as part of the project design.

The findings required to approve a yard Modification are as follows: the Modification is consistent with the purposes and intent of the Zoning Ordinance, and is necessary to (i) secure an appropriate improvement on the lot, (ii) prevent unreasonable hardship, (iii) promote uniformity of improvement, or (iv) the modification is necessary to construct a housing development which is affordable to very low-, low-, moderate- or middle-income households.

Given the amount of building alteration required and the age of the existing structure, staff is treating the proposed building as a new structure. Staff has concerns that the findings to support the Modification cannot be made in this case.

### C. PARKING MODIFICATION

A modification to provide 11 parking stalls rather than the 14 required per the Zoning Ordinance (SBMC §28.90.100 and 28.92.026.A.1) is requested. The Traffic and Parking Assessment prepared for the project indicates that the project demand would be met with 11 parking stalls. To approve a parking modification, the Planning Commission must find that the modification will not be inconsistent with the purposes and intent of the Zoning Ordinance and will not cause an increase in the demand for parking spaces in the immediate area. Staff is typically supportive of residential parking modifications to provide one parking stall (rather than 1.5 stalls) for one-bedroom residential units of less than 750 square feet.

The City's parking requirement for multi-family development with 6 or more units includes a requirement for guest parking. In determining the required number of parking stalls, guest and resident parking is calculated individually, and then combined to determine the final requirement. This means that fractional spaces are combined at the end and rounded up if greater than ½ (SBMC, §28.90.100, F). This method works well for multi-family developments where parking is unassigned. However it can create problems in condominium developments where parking is assigned and there is no sharing of stalls.

In this case, 4 of the proposed units are one-bedroom and less than 750 square feet, and therefore staff could support a modification of the parking requirement from 1.5 stalls to 1 stall based on their reduced demand. This results in a requirement for 9.5 residential stalls, plus 1.75 guest stalls, or 11.25 total stalls. Containing a fraction less than ½, this number is rounded down to 11 stalls. The applicant is proposing to allocate 2 stalls for guests and 9 stalls for residents.

Staff has concerns that the proposed design and allocation of the parking spaces needs to be adjusted, and that the actual use of the spaces may be such that practical guest parking is not sufficiently provided. This is of particular concern in this West Beach neighborhood, where parking is at a premium and in order to approve the coastal development permit, the project must be consistent with the Coastal Act and the City's Coastal Plan, which requires that new development fully meet peak parking needs off-street and not overburden on-street parking resources (see Exhibit C, LCP Policies 11.5 and 11.10).

Staff's position is that Unit 3 should have one of the carport guest spaces allocated to it for use as necessary to meet the parking demand for a larger one bedroom unit. This would need to be addressed in the CC&Rs for the condominium project. That would leave one guest space in the other carport space. This space is at the rear of the lot and staff is again concerned whether it would be used by guests because it is not readily visible and is likely to be used by residents of the project. This issue would also be a potential operational problem for the Homeowners Association, and if the spaces are not available and being used properly, then there could be impacts in the neighborhood.

### D. LOT AREA MODIFICATION

A Modification of the lot area requirements to allow one over-density unit (bonus density) on the lot (SBMC §28.92.026.A.2) is requested. Staff can support this Modification based on the provision of a unit affordable to upper middle-income homebuyers.

A lot area Modification is also required because, following the voluntary lot merger, the resultant lot would be less than 14,000 square feet, which is the minimum in the R-4 Zone. The proposed 12,500 square foot merged lot would be closer to meeting the minimum lot size than the two smaller existing parcels, therefore staff can support the requested Modification.

## VI. SUMMARY

The balancing of competing goals and priorities is important for this project: affordable housing, adequate parking in the Coastal Zone and improvements to the site that come with its redevelopment. The purpose of this hearing is to provide the applicant with feedback on the proposed subdivision and development, with specific attention paid to those issue areas identified above.

#### Exhibits:

- A. Applicant's letter, dated July 25, 2005
- B. Site Plan
- C. Applicable Coastal and General Plan Policies
- D. Arborist's Report dated May 25, 2005
- E. Draft Historic Structures Report dated June 7, 2005
- F. Parking Data dated May 31,2005